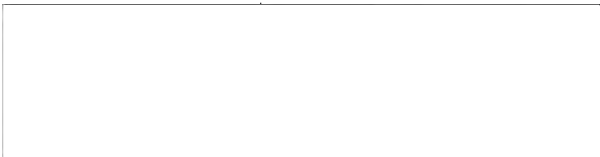


THE PRESIDENT'S INTELLIGENCE CHECKLIST



6 JULY 1962
~~TOP SECRET~~

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1. Algeria

a. Ben Bella is still in Cairo where he has been closeted with Nasir and Arab League officials; there is no definite word yet when, or where, he intends to move into Algeria. In Algiers, meanwhile, Ben Khedda is behaving as though he is very much 50X1 in the saddle, thus all but daring Ben Bella to try something.

c. Peiping ostentatiously recognized the Ben Khedda regime on Wednesday. Moscow seems similarly inclined, but is moving much more cautiously.

2. Taiwan Strait

a. The military picture is unchanged, and it is beginning to look as though the weather will play an important role in keeping it pretty much the way it is until the end of the rainy season in September. Precipitation has been unusually heavy during the past two weeks, resulting in widespread flooding and the disruption of transportation and communications in many parts of south China. Moreover, as matters get worse (which seems to be the prospect), it would appear that Communist authorities will, at least temporarily, have their attention diverted to the problems of local relief and the maintenance of internal security. 50X1

b. Peiping, in its warmest response in a long time to anything coming out of Moscow, is going all-out in praise of Khrushchev's statement promising that the bloc would leap to Communist China's defense in the event of a Nationalist assault on the mainland.

3. Laos

a. The Soviet airlift was busy earlier this week ferrying Souvanna troops from forward areas back to the Plaine des Jarres from where they are scheduled to be moved to Vientiane. Assuming that Phoumi and Souphannouvong let them come, the arrival of these troops in the capital ought to boost the morale--and perhaps the effectiveness--of the neutralists who are having trouble making their presence felt in the new government. [REDACTED]

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b. In Geneva, Souvanna has aligned himself with the bloc position that demobilization and reintegration of opposing Laotian forces is a matter outside the purview of the conference. Our delegation is trying to work out a new formula with the British that will achieve our objectives and suit Souvanna as well.

c. In Saigon yesterday, Diem, in an unusually obtuse mood, was unyielding to Ambassador Nolting's plainly worded urgings to commit his government to the settlement being worked out in Geneva. Nolting feels some high-level prodding may be necessary to get Diem "over the hump."

4. Congo

a. Adoula, his position already shaken by the inconclusive outcome of his negotiations with Tshombé, seems to be getting himself into deeper trouble by antagonizing many of his erstwhile supporters in Leopoldville. Against this background, there are indications that Tshombé, sensing his opportunity, is pulling every string he can to bring Adoula down. On Wednesday Adoula confessed to Ambassador Gullion that he did not know what his government should do next, and we are unable to predict how the ball will bounce in the next few days.

b. In New York, meanwhile, Foreign Minister Bomboko and Interior Minister Kamitatu are waging a two-man campaign for strong UN action, including the use of military force, to bring about the end of Katanga's secession.

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6. Peru

The special conference of the APRA party on whether to acquiesce in the military's veto of Haya de la Torre's claim to the presidency, is now in its third day of debate. This appears to be the next-to-the-last scene in Peru's slow motion election drama. The deal under consideration probably involves Haya's agreement to throw in the towel in exchange for guarantees that the military will not tamper with APRA's representation in the Congress.

7. Brazil

Army troops have restored order in Rio de Janeiro, but the situation remains tense as political battle lines between Goulart and the congress have probably been drawn tighter than ever. The next test of strength is due shortly when Goulart makes his third, and last, nomination of a prime minister. Our guess is that sentiment among congressmen is running in favor of rejection, and for the naming of one of their own to the post.

USIB WATCH COMMITTEE MEETING

5 July 1962

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2. The Board noted that there has been a gradual increase during the week in the tempo of bloc military activity as the summer exercise season gets underway, but reaffirms its conclusion that there are no indications that the USSR or European Satellites intend to initiate direct military action in the immediate future.

NOTES

- A. Kabul has reacted cautiously to the proposal that the Shah of Iran mediate its dispute with Pakistan, partly, no doubt, because it had previously approached the UAR to do the job without fanfare during the course of the forthcoming economic conference in Cairo. [REDACTED]

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- D. Britain and the EEC, just about as far apart as ever on what to do about Commonwealth exports of temperate zone agricultural products, have scheduled a special ministerial session to consider the problem later this month.

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- F. There has been a steady flow in recent weeks of Syrian union-with-Egypt enthusiasts to the Beirut offices of Nasir's agents. They have invariably been politely received and their requests for assistance to help overthrow the Damascus government heard-out, but none so far appears to have come away with anything more rewarding than expressions of appreciation. [REDACTED]

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THE DIRECTOR OF CENTRAL INTELLIGENCE